

## Chapter 128

H.B. No. 1073

### AN ACT

relating to provisional permits for certain insurance agents.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 4001.351, Insurance Code, is amended to read as follows:

Sec. 4001.351. APPLICABILITY. This subchapter applies only to an applicant for a license as an agent under:

- (1) Subchapters B and E, Chapter 4051; and
- (2) Subchapters B, D, ~~and~~ E, and G, Chapter 4054.

SECTION 2. Section 4001.353(a), Insurance Code, is amended to read as follows:

(a) The department may issue a provisional permit under this subchapter on receipt of:

- (1) a written application for a provisional permit;
- (2) a properly completed license application, nonrefundable fee, and each other item required for a license under this chapter and Subchapter B or E, Chapter 4051, or Subchapter B, D, ~~or~~ E, or G, Chapter 4054, as applicable;
- (3) the nonrefundable fee in an amount authorized by Subsection (c); and
- (4) a certificate signed by the appointing agent, insurer, or health maintenance organization stating that:
  - (A) the applicant completed the training, if any, and passed the examination required for the issuance of the license

1 for which the application is submitted;

2 (B) the appointing agent, insurer, or health  
3 maintenance organization completed a background check on the  
4 applicant that shows that the applicant has not been convicted of:

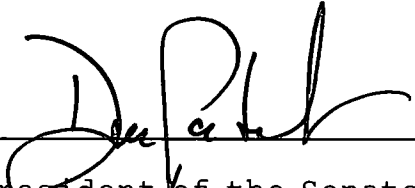
5 (i) a felony; or

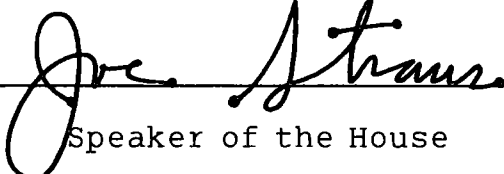
6 (ii) an act that requires the applicant to  
7 receive written consent under 18 U.S.C. Section 1033 to engage in  
8 the business of insurance;

9 (C) the applicant has not responded  
10 affirmatively to any question on the license application that  
11 indicates the applicant has a criminal conviction or has been  
12 involved in an administrative action that may disqualify the  
13 applicant from receiving a license; and

14 (D) the appointing agent, insurer, or health  
15 maintenance organization will supervise the work of the applicant.

16 SECTION 3. This Act takes effect September 1, 2017.

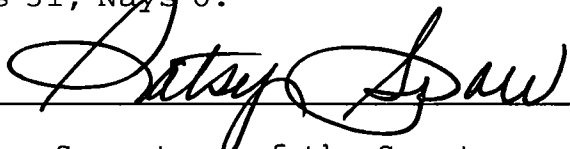
  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 1073 was passed by the House on March 15, 2017, by the following vote: Yeas 148, Nays 0, 1 present, not voting.

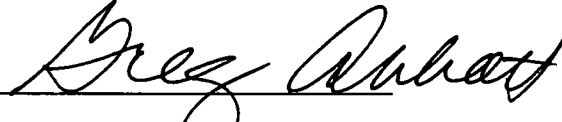
  
\_\_\_\_\_  
Chief Clerk of the House


I certify that H.B. No. 1073 was passed by the Senate on May 12, 2017, by the following vote: Yeas 31, Nays 0.

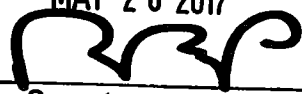
  
\_\_\_\_\_  
Secretary of the Senate

APPROVED: 5-25-2017

Date

  
\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
 O'CLOCK

MAY 26 2017  
  
\_\_\_\_\_  
Secretary of State

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 6, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1073** by Smithee (Relating to provisional permits for certain insurance agents.), As Engrossed

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Insurance Code relating to provisional permits for certain insurance agents. Based on information provided by the Texas Department of Insurance, it is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** UP, CL, CP, AG, EH

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 6, 2017**

**TO:** Honorable Larry Phillips, Chair, House Committee on Insurance

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1073** by Smithee (Relating to provisional permits for certain insurance agents.), As  
**Introduced**

**No significant fiscal implication to the State is anticipated.**

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